

Letter to McConnell and Boehner

As Congress begins to consider the possibility of another economic stimulus package it is important to inject some real-life experiences into the process.

Send it to McConnel and Boehner. Say something like: "There has been talk of another stimulus package. As a Governor who has seen the effects of such funding in the past, I am concerned as to the consequences. If there is a stim. package directed to one-time expenditures, that could be useful to the states. However, it can be harmful when one-time money is earmarked for recurring expenditures. When I became Governor MS had a \$720m deficit, of which \$400m was the result of one-time money. Allowing the states to postpone judgment day by a year can actually make things worse. The states' use of the money for non-recurring expenditures such as public works or the development of electronic health records system would make us better off than adding the money to the Medicaid budget as an increased FMAP."

Let's send the bailout letter to McConnell, Boehner and the Mississippi delegation. I don't see any purpose in sending it to the Obama folks.

We discussed a letter about not wanting one-time money to pay for recurring expenditures. Has it been drafted? That is the idea I would want to put forward at the meeting: If there is money to state governments for other than public works, such as FMAP, allow the states to choose to spend that one-time money on one-time expenditures, such as health care infrastructure like electronic health records.